

97323 reply brief 26/10/11

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of : Simcha GENDELMAN

Serial No. : 10/577,610

Filed : September 25, 2006

For : PREPAID DEBIT CARD PROCESSING

Group Art Unit: 3691

Examiner: Virpi H. Kanervo

**REPLY BRIEF**

Hon. Commissioner for Patents

P.O. Box 1450

Alexandria, VA 22313-1450

Sir:

This Reply Brief is in response to the Examiner's Answer of August 30,  
2011.

## **REMARKS**

Appellant has carefully studied the Examiner's Answer to the Appeal Brief submitted in the present application. Appellant submits the attached remarks to further clarify the difference between the point of sale terminal of the present invention and the prior art cited by the Examiner.

### **Difference Between Prior Art Cited and Claimed Invention**

The Examiner fails to appreciate the following significant differences between the prior art and the present invention as recited in claim 11.

#### **1. In the Prior Art, Each Prepaid Card is Associated With a Different Valid Credit Card Account**

In the prior art cited by the Examiner, a user making a purchase is assigned a credit card number, for example, by a prepaid card issuer (Koppel), or uses an existing assigned credit card number (Hobson) and this **credit card number assigned to the user making the purchase** is communicated to a credit card server for processing a financial transaction. **Thus, each user's transaction is processed by the credit card server using a different valid credit card number.**

In contrast, in the point of sale terminal of the present invention, as recited in claim 11, a user making a purchase is assigned a prepaid card number by a prepaid card issuer, which prepaid card number is not a credit card number, but is associated with a credit card number assigned to the prepaid card issuer. The point of sale terminal includes a processor which, based on the prepaid card number, identifies the credit card number of the prepaid card issuer, communicates the credit card number of the prepaid card issuer to a credit card server and a financial transaction is processed by the credit card server utilizing **the credit card number of the prepaid card issuer** - not the prepaid card number of the user. **Thus, transactions of multiple users of prepaid cards of the same prepaid card issuer are processed using the same credit card number.**

**2. In the Prior Art, a Prepaid Card Issuer Must Contract with a Credit Card Issuing Bank to Create a Valid Credit Card Account Before Issuing a Prepaid Card**

In the prior art, the prepaid card issuer must contract with a credit card issuing bank for each individual credit card account before issuing prepaid cards. In contrast, in the present invention, the prepaid card issuer does not need to contract with a credit card issuing bank for each individual prepaid card before issuing the prepaid cards.

**3. In the Prior Art, the Credit Card Number Being Transmitted to the Credit Card Server by the POS Terminal is NOT a Credit Card Number of a Credit Card Account of the Prepaid Card Issuer Being Charged for the Transaction**

In the prior art, the credit card number being communicated to the credit card server is not a credit card number of a credit card account of the prepaid card issuer being charged for the transaction. In contrast, in the point of sale terminal of the present invention, the processor communicates a credit card number of a credit card account of a prepaid card issuer to a credit card server, which then charges the credit card account of a prepaid card issuer for the transaction.

The failure by the Examiner to appreciate these significant differences is seen in the following two locations in the Examiner's Answer.

**I. Examiner Misquotes Appellant's Argument**

Unfortunately, the Examiner has misstated and misquoted the Appellant's argument. As can be seen from the text of the Examiner's Answer and the Appeal Brief quoted below, the Examiner has taken portions of the Appellant's argument – shown below in **bold, underlined text** - and juxtaposed them incorrectly and inappropriately, by omitting a *critical* portion of the argument, specifically the word ***not***.

In order to make this clear, the Appellant has reproduced hereinbelow:

1. The relevant portion of the text of the Examiner's Answer
2. The corresponding relevant portion of the text of the Appeal Brief.

In both the text of the Examiner's Answer and the text of the Appeal Brief which follow, the Appellant has formatted the sections paraphrased by the Examiner in the Examiner's Answer using the same formatting as shown in the Appeal Brief, in which a first section is underlined, a second section is in *italics* and a third section is in **bold underlined** text. Appellant has also formatted in **bold** additional sections of the Appellant's argument presented in the section of the Appeal Brief quoted which further clarify the distinction between the invention as claimed and the prior art references.

#### **1. Examiner's Answer**

In the Response to Arguments section, the Examiner summarizes the arguments presented in the appeal brief as follows:

Appellant argues that "in Koppel, as distinct from the present invention, there is no need for the processor to identify a credit card number associated with a credit card account belonging to a credit card issuer, and indeed in Koppel the processor does not identify a credit card number associated with a credit card account belonging to a credit card issuer." Applicant further argues that "*in contrast to the recitation of claim 11 ... in Koppel the prepaid card identification indicia is communicated to the credit card server, not the credit card number of the issuer credit card account being charged*" because "**it is this valid card number of the issuer credit card account being charged.**" (Examiner's Answer, hereinafter "EA", page 11, formatting added)

## **2. Appeal Brief**

In the Appeal Brief, however, the Appellant argued:

Applicant respectfully notes that, in contrast to the recitation of claim 11, “prepaid card identification indicia, in a form different from a credit card number,” the prepaid card identification indicia used in Koppel is in the form of a credit card number. Thus, in Koppel, as distinct from the present invention, there is no need for the processor to identify a credit card number associated with a credit card account belonging to a credit card issuer, and indeed in Koppel the processor does not identify a credit card number associated with a credit card account belonging to a credit card issuer.

Furthermore, *in contrast to the recitation of claim 11, “a processor ... communicating the credit card number to a credit card server which processes a credit card transaction, charging the payment to the credit card account,” in Koppel the prepaid card identification indicia is communicated to the credit card server, not the credit card number of the issuer credit card account being charged.*

Applicant notes that in the system of Koppel, **each of the prepaid cards includes prepaid card indicia in the form of a credit card number that identifies a different valid credit card account.** In contrast to the recitation of claim 11, it is this valid credit card number that is communicated to the credit card server, *not* the credit card number of the issuer credit card account being charged. (Appeal Brief, page 6, lines 12-29, formatting added)

Since the Examiner has failed to appreciate the significant differences between the prior art cited and the present invention as recited in claim 11, as discussed above, the Examiner has misstated the Appellant's arguments.

**II. Examiner States That the Prior Art Combination of Hobson and Koppel Discloses All of the Elements of Claim 11**

The Examiner's lack of appreciation of the significant differences is seen further in the Examiner's Answer. In a single paragraph, extending through all of page 12 and most of page 13 of the Examiner's Answer, the Examiner explains that Hobson discloses all of the features of claim 11 except that the prepaid card issuer has a credit card account. Then, in the paragraph bridging pages 13 and 14 and the first full paragraph on page 14 of the Examiner's Answer, the Examiner writes that Koppel discloses a prepaid card issuer having a credit card account and therefore Hobson modified by Koppel discloses all of the elements of claim 11.

The Examiner again fails to appreciate the significant difference between the combination of Hobson and Koppel and the present claimed invention, namely that in the combination of Hobson and Koppel **the credit card number communicated to the credit card server is a credit card number associated with a credit card account assigned to a specific user making a purchase**, and that the point of sale terminal of the present invention, as recited in claim 11, **the credit card number communicated to the credit card server is a credit card number associated with a credit card account assigned to a prepaid card issuer by an issuing bank, and NOT a credit card account assigned to a specific user making a purchase.**

As explained above, the prior art fails to show or suggest a processor communicating a credit card number assigned to a prepaid card issuer to a credit card server which processes a credit card transaction, charging a payment to the credit card account of the prepaid card issuer, as recited in claim 11.

### Summary and Conclusion

From the two sections of the Examiner's Answer discussed above, it is apparent that the Examiner fails to appreciate the significant differences between the prior art cited and the present invention as recited in claim 11.

The patentable feature of the present invention, discussed above and recited in claim 11, is described in the application as follows:

... prepaid card 100 is typically one of a multiplicity of prepaid cards issued by a prepaid card issuer and is typically **associated with a financial account of the prepaid card issuer** that is to be charged with the monetary value associated with any purchases made using prepaid card 100. (Application as filed, page 5, lines 19 - 22, (corresponding to paragraph [0024] of the application as published [U.S. Patent Publication 2007/0078767]), emphasis added)

As noted in the Appeal Brief, the combination of Hobson and Koppel does not yield the claimed invention because the combination of Hobson and Koppel **does not enable an issuer to issue a large number of prepaid cards while using only a single valid credit card account.**

Thus, the point of sale terminal recited in claim 11, including a processor which identifies a credit card number, which is associated with a **credit card account assigned to a prepaid card issuer**, by using prepaid card indicia not in the form of a credit card number, and communicates the credit card number associated with the **credit card account assigned to a prepaid card issuer** to a credit card server which processes a credit card transaction charging a payment to the **credit card account assigned to the prepaid card issuer**, is patentable over the prior art cited by the Examiner.

Respectfully submitted,

A handwritten signature in black ink, reading "Gerald T. Shekleton". The signature is fluid and cursive, with the first name "Gerald" being more prominent and the last name "Shekleton" following in a similar style.

Dated: October 26, 2011

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